

# **EXHIBIT 33**

1  
2 UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

3 -----X  
SHORELINE AVIATION, INC.,

4  
PLAINTIFF,

5  
6 -against-

Case No.:

2:20-cv-02161-JMA-SIL

7  
8 CYNTHIA L. HERBST, SOUND AIRCRAFT FLIGHT  
ENTERPRISES, INC., RYAN A. PILLA, BLADE  
9 URBAN AIR MOBILITY, INC. a/k/a FLY BLADE,  
INC., MELISSA TOMKIEL and ROBERT S.  
10 WIESENTHAL,

11 DEFENDANTS.

-----X

12  
13 DATE: July 21, 2022

14 TIME: 10:04 A.M.  
15  
16

17 REMOTE DEPOSITION of a Non-Party  
18 Witness, CAMILLE R. MURPHY, taken by the  
19 respective parties, pursuant to a Subpoena  
20 and to the Federal Rules of Civil  
21 Procedure, held at the above date and time,  
22 before Susan Insinga, a Notary Public of  
23 the State of New York.  
24  
25

1 C. MURPHY

2 you signed, just to be clear.

3 A. Okay.

4 Q. So I'm going to ask you about  
5 paragraph 18. Take a moment to review it,  
6 and you'll see it covers two pages, so if  
7 you need me to move it, I can.

8 A. Okay, you can slide it down a  
9 little bit.

10 Q. Yeah.

11 A. Okay.

12 Q. So you'll see here, you  
13 indicate that Shoreline's revenues from  
14 charter and rental income, you set forth  
15 for two years here; is that right?

16 A. That's correct.

17 Q. And those are the years ending  
18 September 30, 2016 and the year ending  
19 September 30, 2017; is that right?

20 A. That's correct.

21 Q. And can I ask why you only set  
22 forth the revenue for those years?

23 A. I don't recall.

24 Q. Now, I assume you're aware that  
25 profits are usually defined as revenue

1 C. MURPHY

2 minus costs?

3 MR. KRIEGSMAN: Objection.

4 Q. Is that accurate, Ms. Murphy?

5 A. Yes.

6 Q. And you didn't include any  
7 profit numbers for these two years; is that  
8 right?

9 A. That's correct.

10 Q. And you could have included  
11 profit numbers for these two years, right?

12 A. Well --

13 MR. KRIEGSMAN: Objection.

14 A. -- except that you have the  
15 financial statements, which I did provide,  
16 which do address profit.

17 Q. Can you tell us, though, why in  
18 the declaration, itself, you didn't address  
19 the issue of profits?

20 A. No, I can't.

21 Q. Is that because someone else  
22 other than you drafted this affidavit  
23 originally?

24 MR. VLAHADAMIS: Objection to  
25 form.

1 C. MURPHY

2 You can go ahead and answer,  
3 Camille.

4 A. Someone other than me drafted  
5 the -- drafted the affidavit, yes.

6 Q. But I'm trying to ask on the  
7 issue of profits, did you make a decision  
8 whether to include -- not include profits  
9 for the years ending September 3rd of 2016  
10 and September 30, 2017?

11 A. I did include --

12 MR. KRIEGSMAN: Objection.

13 Asked and answered.

14 Q. You include those in the  
15 attached financial statements; is that  
16 right?

17 A. That's correct.

18 Q. But not in the text of the  
19 affidavit itself; is that right?

20 A. Yeah, that's correct.

21 Q. Now, you say charter and rental  
22 income for the year September 30, 2016.

23 That's an aggregate number of  
24 charter income for Shoreline Aviation?

25 A. Yes.

1 C. MURPHY

2 Q. Do you know how much came from  
3 charters versus other types of income?

4 A. No, I do not, not off the top  
5 of my head. But those are numbers I could  
6 provide, because I do have records about  
7 that.

8 Q. Is that in the financial  
9 statements or is that in other records that  
10 you have?

11 A. It would be in the profit and  
12 loss statements, the detailed profit and  
13 loss statements.

14 Q. And?

15 A. But I have it.

16 Q. And do you compile those on a  
17 yearly basis for Shoreline aviation?

18 A. We compile that information --

19 MR. KRIEGSMAN: Objection to  
20 form.

21 A. -- on fiscal year basis.

22 Q. So that would mean on an annual  
23 basis ending September 30th of the year?

24 A. Yes.

25 Q. And does that profit and loss

1 C. MURPHY

2 A. Ms. Murphy, when we went off  
3 the record, we were talking about the  
4 affidavit that you signed in this case. So  
5 I have a few more questions about the  
6 supporting materials, so I'm going to pull  
7 exhibit number --

8 MR. KRIEGSMAN: I'm sorry to  
9 interrupt, Reid. I just want to make  
10 sure everything is clear.

11 Did you say at some point off  
12 the record?

13 Q. When we went off the record,  
14 before the break that we just had, we were  
15 talking about this particular -- we were  
16 talking about your affidavit, correct,  
17 Ms. Murphy?

18 MR. KRIEGSMAN: Thanks for  
19 clarifying that, Reid. I just wanted  
20 to make sure I didn't miss anything.

21 Q. So Ms. Murphy, I'm actually  
22 asking a question to you and I understand  
23 I've been confusing.

24 So when we went off the record,  
25 we were discussing your affidavit, right?

1 C. MURPHY

2 A. I believe that's correct.

3 Q. And I'm now going to ask you  
4 about some of the supporting materials that  
5 are enclosed with the affidavit, okay?

6 A. Okay.

7 Q. And so you'll see we have up  
8 here on the screen a page that says CM  
9 1168.

10 If you look at the top, you'll  
11 see that it's a statement of revenue,  
12 expenses and retained earnings, income tax  
13 basis, for the years ended September 30,  
14 2017 and 2016.

15 Do you see that Ms. Murphy?

16 A. I see that.

17 Q. And you'll see at the top, it  
18 says, Revenues, and the first line is  
19 Charter and Rental Income.

20 Do you see that?

21 A. I see that.

22 Q. And the two numbers to the side  
23 for 2017 and 2016, those are the numbers  
24 you include in your affidavit, correct?

25 A. I believe that's true, yes.



1 C. MURPHY

2 Q. And below that, there's a  
3 section that says Cost of Goods Sold.

4 Can you tell us what that  
5 relates to?

6 A. Sure. Those would be all of  
7 the direct operating expenses of charter  
8 and rental income.

9 Q. If I understand correctly,  
10 these are sort of aggregates and there are  
11 more detailed profit and loss statements  
12 that would break those out; is that right?

13 A. I believe so, yes.

14 Q. And now do you know which, if  
15 any, of those costs of goods sold would be  
16 impacted by the number of flights that  
17 Shoreline Aviation flew in a given year?

18 A. I think they all would be.

19 Q. So if, for example, if  
20 Shoreline flew less flights in a particular  
21 year, it's parts and materials would likely  
22 go down; is that correct?

23 A. Not necessarily, no.

24 Q. Could they have gone down?

25 A. Could they have gone down, yes,

1 C. MURPHY

2 but it's not likely that they did.

3 Q. All right. Now, salary and  
4 wages, could those go down if Shoreline  
5 Aviation flies less flights in a particular  
6 year, to your knowledge?

7 A. Not necessarily, no.

8 Q. Now, do you know if tie down  
9 and hangar fees could go down if Shoreline  
10 flies less flights in a particular year?

11 A. I would think that's probably  
12 true, but again, not necessarily correlated  
13 to any kind of a reduction in revenue.

14 Q. You would need to look at more  
15 detailed information to see if tie down and  
16 hangar fees actually went down as a result  
17 of flying fewer flights; is that correct?

18 A. That would be correct.

19 Q. Now, dockage and marina, could  
20 dockage and marina come down if Shoreline  
21 flies less flights in a particular year?

22 A. Possible, but again, not  
23 directly correlated to the revenue.

24 Q. You would need -- I'm not  
25 asking revenue; I'm asking about operating

1 C. MURPHY

2 expenses, Ms. Murphy?

3 A. Right. Right. I understand  
4 that.

5 Q. So you would need to look at  
6 more detailed information to see if dockage  
7 and marina went down as a result of fewer  
8 flights, correct?

9 A. Correct.

10 Q. Now, aircraft supplies, that  
11 could have gone down if Shoreline flies  
12 fewer flights in a particular year,  
13 correct?

14 A. Could have, but not necessarily  
15 that it did.

16 Q. Now, for salary and wages, does  
17 that include pilot wages?

18 A. Yes, I believe it does.

19 Q. And if Shoreline flies fewer  
20 flights in a given year, the amount it pays  
21 its pilots could go down, correct?

22 A. Well, again, Reid I just want  
23 to be clear about how I answer this.

24 Not necessarily, because you  
25 may have -- you may find yourself in a

1 C. MURPHY

2 situation where you have to find, scramble,  
3 engage other pilots to cover routes that  
4 have either -- have been affected by some  
5 change in the amount of business.

6 So I'm just very cautious about  
7 saying that those expenses could have gone  
8 down.

9 Could they have? Yes, they  
10 could have. Does that mean that they did?  
11 It does not mean that at all.

12 Q. Understood. We'd require more  
13 detailed analysis; is that right?

14 A. That's correct.

15 Q. So did we cover aircraft  
16 supplies, Miss Murphy? I don't recall.

17 A. You asked me about it, yes.

18 Q. So pilot training, do you know  
19 if that could go down if you flew less  
20 flights in a given year?

21 A. Well, just look at -- look at  
22 what we're doing.

23 I mean, that went up, right?  
24 Supplies went up. Dockage and marina went  
25 up. All of these went up except for

1 C. MURPHY

2 salaries and wages; yet, we had a decrease  
3 in revenue.

4 So I'm just trying to be sure  
5 that you're clear that even though you  
6 might have a decrease in income, it does  
7 not necessarily mean that all the costs  
8 will go down.

9 Q. Right. You have to do a  
10 detailed analysis to see if that's the  
11 case; is that right?

12 MR. VLAHADAMIS: Asked and  
13 answered. Objection.

14 A. That's right.

15 Q. And you weren't asked to do  
16 that in drafting your affidavit; is that  
17 correct?

18 A. That's correct.

19 Q. I should say you were not asked  
20 to do that in signing your affidavit; is  
21 that correct?

22 MR. KRIEGSMAN: Objection.

23 MR. VLAHADAMIS: You can answer  
24 it, Camille.

25 A. I don't understand your

1 C. MURPHY

2 question, Reid.

3 Q. I was trying to be clear,  
4 because you did not draft the affidavit,  
5 correct; someone else did and you signed  
6 it, right?

7 MR. VLAHADAMIS: Objection.

8 A. You already know that.

9 Q. All right. Understood. I'm  
10 just trying to be clear in my questions,  
11 Ms. Murphy.

12 A. Okay.

13 Q. So if we look at where it says,  
14 in parentheses, Loss, Income From  
15 Operations, am I understanding correctly  
16 that is net income or loss?

17 A. It's net income from  
18 operations. Net income or loss from  
19 operations.

20 Then there are other items that  
21 also affect the income or loss for the  
22 company for the year which are stated below  
23 that number.

24 Q. All right. And below that  
25 number, there's also -- it says, Loss

1 C. MURPHY

2 before income taxes.

3 That's the loss to the company  
4 before calculation of income taxes?

5 A. That's correct.

6 Q. And then there's -- below that,  
7 there's a statement of income tax expenses?

8 A. Correct.

9 Q. And so -- and below that is the  
10 net loss for the year?

11 A. Correct.

12 Q. So if we look at 2017,  
13 Shoreline had a net loss of \$338,331; is  
14 that right?

15 A. That's correct.

16 Q. And the net loss for the year  
17 2016 was \$32,072?

18 A. Correct.

19 Q. So now I'm going to go to the  
20 year ending September 30, 2018 and you'll  
21 see we're going to -- I'm going to direct  
22 to you page CM 1184.

23 If you look at the top, you'll  
24 see this is a statement of revenues,  
25 expenses and retained earnings, income tax

1 C. MURPHY

2 basis for the years ended September 30,  
3 2018 and 2017.

4 Do you see that Ms. Murphy?

5 A. I see that.

6 Q. And under revenues, you'll see  
7 there's charter and rental income for 2018  
8 and 2017?

9 A. I see that.

10 Q. And you'll see there's two  
11 numbers there, and those are the numbers  
12 that we were discussing earlier in your --  
13 in the text of your affidavit; is that  
14 correct?

15 A. Yes, correct.

16 Q. And this is where you get that  
17 there is a decline in revenue from the year  
18 ending September 30, 2017, the year ending  
19 September 30, 2018, correct?

20 A. Correct.

21 Q. And if we look down at cost of  
22 goods sold, there was a reduction in costs  
23 from -- there was a reduction in costs from  
24 the year 2017 to the year 2018?

25 A. Yes, there was.



1 C. MURPHY

2 Q. And if you look down at income,  
3 loss before income taxes, you'll see in  
4 2018, there was a gain of \$360,391 -- let  
5 me back up. \$360, 391, right.

6 A. Say that again?

7 Q. \$360,391, correct?

8 A. Correct.

9 Q. And the year before that we  
10 looked at, there was a loss of over  
11 \$300,000, correct?

12 A. Correct.

13 Q. And if you look after  
14 application of taxes, you'll see there's a  
15 gain of over \$350,000 the year ending 2018,  
16 correct?

17 A. Correct.

18 Q. And that's as compared to a  
19 loss of over three \$330,000 the year  
20 before?

21 A. Correct.

22 Q. So even though revenue fell in  
23 2018, 2018 was the more profitable year for  
24 Shoreline, correct?

25 A. Correct.

1 C. MURPHY

2 Q. Now, I want to go back up to  
3 another part of your declaration. If you  
4 look at paragraph 6, there is a discussion  
5 of a transaction with Cape Air.

6 Do you see that?

7 A. Yes, I do.

8 Q. And you're familiar with the  
9 transaction discussed there; is that  
10 correct?

11 A. Correct.

12 Q. And it's written here,  
13 Initially the parties contemplated a stock  
14 sale whereby Cape Air would purchase  
15 Shoreline's stock and merge Shoreline's  
16 ESOP into the ESOP Cape Air had in place.

17 Now, what is -- the sentence  
18 there, what is that based on?

19 A. What is that -- I'm sorry, I  
20 don't understand.

21 Q. Sure. The sentence written  
22 there, do you know what the basis is for  
23 that statement?

24 A. Of course. Of course, I do.  
25 Those are the facts as they were unfolding

1 C. MURPHY

2 A. That's correct.

3 Q. And do you know, did John Kelly  
4 and Andrea Collingwood work for that money?  
5 Did they do work for Cape Air after the  
6 transaction closed?

7 A. Well, I know that Andrea did.  
8 I don't recall the timing of John's illness  
9 as to how long he worked for the company.

10 Q. Okay. Thank you.

11 And then, finally, I thought I  
12 heard it before. Were you involved in all  
13 aspects and negotiations of the Cape Air  
14 transaction?

15 A. No, not at all.

16 Q. Okay. There was an attorney  
17 named Jim Nugent who was representing  
18 Shoreline in connection with the  
19 transaction?

20 A. That's correct.

21 Q. And an attorney named Richard  
22 Glassman who was focusing on the ESOP plan  
23 both before and after the transaction was  
24 contemplated?

25 A. Yes, that's correct.

1 C. MURPHY

2 Q. Okay.

3 MR. KRIEGSMAN: No further  
4 questions.

5 MR. SKIBELL: All right. I'm  
6 going to have a short redirect. Just  
7 give me a couple minutes to double  
8 check and then I will have a few  
9 additional questions.

10 MR. KRIEGSMAN: Okay, great.  
11 So what do you want, another five  
12 minutes, Reid?

13 MR. SKIBELL: Yeah, that would  
14 be fine. Thanks.

15 (Whereupon, a brief recess was  
16 taken.)

17 CONTINUED EXAMINATION BY

18 MR. SKIBELL:

19 Q. Ms. Murphy, I'm entering an  
20 exhibit. You can correct me if I'm wrong,  
21 but I believe this is what Mr. Kriegsmann  
22 called Exhibit A.

23 A. I don't know. I didn't keep  
24 track of what he called them. I'm sorry.

25 Q. All right. So if you look at

1 C. MURPHY

2 the --

3 MR. KRIEGSMAN: And, I'm sorry,  
4 Reid, are you entering this as an  
5 exhibit?

6 MR. SKIBELL: Well, I believe  
7 you already entered it as an exhibit,  
8 unless I'm wrong.

9 MR. KRIEGSMAN: That's why I'm  
10 asking. Yeah.

11 Q. So you'll see the document  
12 we're looking at here bears the Bates stamp  
13 SAI 007979, okay?

14 If you look at the end, it is  
15 SAI 007983.

16 Now, I take it this was not a  
17 document that you produced in response to  
18 your subpoena; is that correct?

19 A. That's correct.

20 Q. Now, if you look on the left  
21 side of the document, you see it says, 3:26  
22 p.m., 2/24/2022.

23 Do you see that?

24 A. I do see that.

25 Q. Do you have any understanding

1 C. MURPHY

2 as to why it has that time and date?

3 A. That's how QuickBooks works.  
4 It always times -- it usually, depending on  
5 how you set it up when you first start the  
6 company, in QuickBooks, it date stamps and  
7 time stamps the running of the report.

8 Q. All right. So did you pull up  
9 this document on 3:26 p.m. on February 24,  
10 2022?

11 A. I don't believe I did,  
12 actually.

13 Q. Do you know who did?

14 A. No, I don't.

15 Q. Do you know if the numbers here  
16 are final numbers?

17 A. Well, I did look when Alex put  
18 it up, and it does agree, in essence, with  
19 the tax returns that were filed, so I was  
20 pretty comfortable that it was complete.

21 Q. Now, which tax returns are you  
22 referring to?

23 A. The ones we looked at earlier  
24 for the fiscal year ending September 30th  
25 of 2018, and I think in the package you

1 C. MURPHY

2 have the one for September of 2017 as well.

3 Q. Those were the financial  
4 statements we looked at earlier; is that  
5 what you're referring to?

6 A. Well, I was referring to the  
7 tax returns, but they all have the same  
8 numbers, so it's interchangeable.

9 Q. So -- but did you do anything  
10 to determine whether the information set  
11 forth in Exhibit A is a final statement of  
12 either revenue or expenses?

13 A. Yeah, that's what I just said;  
14 I looked at the tax returns and determined  
15 that we got some good numbers here.

16 Q. All right. So let's look at  
17 what Alex reviewed as charter income.

18 Do you see that --

19 A. Yes.

20 Q. -- in the middle of the page?

21 And you'll see that there is a  
22 total for total charter revenue set forth  
23 there. Can you tell us what you did, if  
24 anything, to confirm that number as a final  
25 number?

1 C. MURPHY

2 A. What I testified to is that  
3 remember my tax returns and financial  
4 statements really just report total income,  
5 so since total income agreed with the tax  
6 returns and the financial statements, okay,  
7 and these reports were probably -- they  
8 were prepared by Dee, so, no, I mean, I  
9 didn't -- I didn't reconcile every single  
10 number on this report, no, I did not.

11 Q. So you said prepared by Dee.

12 A. Well, I take that back. She  
13 doesn't still work there, so I don't know  
14 who printed the reports for you.

15 Q. All right. And I take it you  
16 don't know how this report was created?

17 A. I do know how it was created.  
18 You go into QuickBooks and you  
19 ask for a profit and loss, you say what  
20 time period you want and you print it.

21 Q. But you don't know how this  
22 specific report was created by the unknown  
23 person who created it in February of 2022,  
24 do you?

25 MR. VLAHADAMIS: Objection to



1 C. MURPHY

2 form.

3 MR. KRIEGSMAN: Objection.

4 MR. VLAHADAMIS: You can  
5 answer, Camille.

6 THE WITNESS: I don't know how  
7 to answer it.

8 A. I know that, you know,  
9 QuickBooks takes all of the transactions  
10 that happen on a bank statement and they're  
11 reconciled and put into QuickBooks, so I do  
12 know how it works.

13 Q. So, Ms. Murphy, do you have  
14 within your files your calculations of  
15 profit and loss from October 2016 through  
16 September of 2017?

17 A. Of course, I do. You've got  
18 the financial statements and the tax  
19 returns that I sent you or --

20 Q. You didn't sent us --

21 A. -- included in my affidavit.  
22 Sorry.

23 Q. Ms. Murphy, you did not produce  
24 detailed profit and loss statements in  
25 response to the subpoena, did you?

1 C. MURPHY

2 A. You need to define for me  
3 detailed, because the financial statements  
4 that were provided are what I would call  
5 detailed, so are you referring to something  
6 else?

7 Q. All right. So the document  
8 we're looking at here, there is a version  
9 in your files of a profit and loss  
10 statement of October 2016 through  
11 September 2017, correct?

12 A. Yes.

13 Q. And you did not produce that in  
14 connection with the subpoena, correct?

15 A. Wait a minute now. Hold on a  
16 second. I think -- no, I did not put it in  
17 the affidavit. I'm not sure that it was  
18 asked for in my subpoena, the detailed  
19 underlying work papers, so I don't know how  
20 to answer that, Reid.

21 Q. So you didn't produce it, did  
22 you?

23 MR. VLAHADAMIS: Asked and  
24 answered. Objection.

25 A. I'm not answering that.

1 C. MURPHY

2 Q. So did you check the document  
3 we're looking at, Exhibit A, versus the  
4 documents that you have for Shoreline for  
5 this period of time?

6 MR. KRIEGSMAN: Objection.

7 Asked and answered.

8 A. Their totality, yes.

9 Q. Did you check the specific  
10 numbers that we're looking at here versus  
11 the version of this that appears in your  
12 own files?

13 MR. KRIEGSMAN: Objection.

14 Asked and answered.

15 MR. VLAHADAMIS: Go ahead.

16 You can answer, Camille.

17 A. Are you asking me, Reid, line  
18 by line?

19 Q. I'm asking you, this particular  
20 document, did you look at the version of  
21 this document in your files and compare the  
22 two documents?

23 MR. KRIEGSMAN: Objection.

24 Asked and answered.

25 MR. VLAHADAMIS: Note my

1 C. MURPHY

2 objection to form.

3 What document are you comparing  
4 it to?

5 Q. Ms. Murphy, there is a version  
6 of the profit and loss statement of  
7 October 2016 through September 2017 in your  
8 files, correct?

9 MR. KRIEGSMAN: Let the record  
10 reflect that Mr. Skibell is raising  
11 his voice at the witness.

12 MR. SKIBELL: That's is  
13 inaccurate, and I don't appreciate  
14 your gamesmanship, Alex. Please stop  
15 it.

16 MR. KRIEGSMAN: Continues to  
17 raise voice.

18 Q. Ms. Murphy, there is a version  
19 of the profit and loss statement between  
20 October 2016 and September 2017 for  
21 Shoreline in your files, correct?

22 A. Correct.

23 Q. And we have in front of us a  
24 version of a profit and loss statement of  
25 October 2016 through September 2017 that

1 C. MURPHY

2 was not produced by you, correct?

3 A. I can't say that.

4 I'm not sure if didn't --

5 listen, that's February of 2022; it's July.

6 I can't tell you if I printed this or not.

7 I really don't know.

8 Q. Ms. Murphy --

9 MR. VLAHADAMIS: I'm going to  
10 object, because you're misstating her  
11 prior testimony, Reid.

12 Q. Ms. Murphy, you'll see on the  
13 right-hand corner there's a Bates stamp?

14 Do you see it starts SAI?

15 A. Yes, I do.

16 Q. And that indicates that it's a  
17 document that was produced by Shoreline  
18 Aviation, correct?

19 MR. VLAHADAMIS: Objection.

20 A. I don't know.

21 MR. VLAHADAMIS: She doesn't  
22 know that information.

23 Q. It does not bear the Bates  
24 stamp CM that shows documents that were  
25 produced by you, correct?

1 C. MURPHY

2 MR. KRIEGSMAN: Objection.

3 MR. VLAHADAMIS: You can answer  
4 the question, if you know, Camille.

5 A. I don't know.

6 Q. All right. So, Ms. Murphy, I'm  
7 asking a simple question here.

8 So what we're looking at is  
9 Exhibit A, and my question is, did you  
10 compare Exhibit A to the profit and loss  
11 October 2016 through September 2017 that  
12 you have for Shoreline in your files?

13 A. I compared Exhibit A while we  
14 were talking to the tax return and the  
15 financial statements that we prepared for  
16 this time period, and they agree.

17 Q. But not the line by line items  
18 we see here as compared to the version of  
19 the profit and loss statement in your file,  
20 correct?

21 MR. KRIEGSMAN: Objection.

22 MR. VLAHADAMIS: Objection.

23 You can answer, Camille.

24 A. Line by line to my work papers  
25 in my files? The answer to that is no.

1 C. MURPHY

2 Q. All right. So if you go down,  
3 where it says Charter Revenue in the middle  
4 of the page, do you have an understanding  
5 of what charter revenue refers to there?

6 A. Of course, yes, I do.

7 Q. And can you tell us what  
8 charter revenue refers to there?

9 A. Chartering of airplanes to go  
10 from point A to point B.

11 Q. And do you recall -- do you  
12 have an understanding one way or the other  
13 as to whether charter revenue is limited to  
14 flights in and out of East Hampton Airport?

15 A. No.

16 Q. You don't know one way or the  
17 other?

18 A. I know it's not just limited.  
19 I know the Sound commuter fees  
20 are from New -- to the Hamptons, but in  
21 terms of the others, I'm fairly certain  
22 they go in and out of other places.

23 Q. Okay. So you'll see that  
24 there's something called Cancellation Fees.

25 Do you have an understanding of

1 C. MURPHY

2 what that refers to?

3 A. Yes.

4 Q. And can you tell us what that  
5 refers to?

6 A. If you book a flight and then  
7 you cancel it within a certain time period,  
8 you have to pay a fee.

9 Q. And those fees -- do you know  
10 if they were just on flights that were  
11 booked by of SAFE?

12 MR. KRIEGSMAN: Objection to  
13 form.

14 A. No, I don't know.

15 Q. All right. So if you look,  
16 there's a column below that says Charter  
17 Fees.

18 Do you have an understanding of  
19 what charter fees refers to there?

20 A. I just answered that. It's  
21 fees -- it's flights from point A to point  
22 B that are not in the Sound -- that are not  
23 the ones from -- into the Hamptons.

24 A. I see.

25 Q. So those -- where it says



1 C. MURPHY

2 Charter Fees there are different from the  
3 Sound Commuter Fees that are at the bottom  
4 of Charter Revenue; is that correct?

5 A. I believe so, yes.

6 Q. And you see there's also a  
7 reference to Charter Fees Brokers.

8 Do you see that?

9 A. I see that.

10 Q. And that refers to fees paid to  
11 brokers other than SAFE; is that correct?

12 MR. KRIEGSMAN: Objection.

13 A. I would have no way of knowing  
14 that.

15 Q. So you don't know one way or  
16 the other whether that was paid to SAFE or  
17 not; is that correct?

18 A. That's a correct statement.

19 Q. All right. Now, I believe you  
20 also testified about expenses that  
21 Mr. Kriegsman asked you about, and I want  
22 to ask you about expenses and whether or  
23 not those are related to -- what those  
24 relate to.

25 So if you look on the page now,

1 C. MURPHY

2 it's page 2 of this document. It bears the  
3 Bates stamp SAI 007980, and you'll see  
4 Charter Expenses.

5 Now, and there's a number of  
6 those broken out there and add up to almost  
7 \$1.4 million.

8 Do you see that?

9 A. I do see that.

10 Q. Do you know if those expenses  
11 set forth there are limited to flights that  
12 were booked by SAFE?

13 MR. KRIEGSMAN: Objection.

14 A. I don't think it's -- I don't  
15 know. I do not know.

16 Q. Do you have an understanding as  
17 to whether or not these expenses also  
18 relate to flights that were booked by other  
19 persons other than SAFE?

20 A. I do not know.

21 Q. Now, if you look below, you'll  
22 see there's a section that's called  
23 Maintenance. Do you see that?

24 A. Yes, I do.

25 Q. It's broken out into Total

1 C. MURPHY

2 Maintenance.

3 Do you have an understanding as  
4 to whether -- am I correct those are all  
5 expenses?

6 A. Those are all expenses, I  
7 believe, that's correct.

8 Q. And do you have an  
9 understanding as to whether or not those  
10 were expenses that were allocated to  
11 flights that were booked by SAFE?

12 MR. KRIEGSMAN: Objection.

13 A. No, I don't know.

14 Q. All right. So if you look  
15 below there's a number of other expenses.

16 You see there's -- below that,  
17 you see there's Payroll Expenses?

18 Do you see those?

19 A. Yes, I do.

20 Q. You see there's Housing  
21 Expenses?

22 Do you see those?

23 A. Yes, I do.

24 Q. There's Pilot Expense  
25 Transportation.

1 C. MURPHY

2 Do you see those?

3 A. Yes.

4 Q. And there's Other

5 Transportation Expenses listed here; is

6 that correct?

7 A. Correct.

8 Q. And do you have an

9 understanding as to whether these expenses

10 were limited to flights that were booked by

11 SAFE?

12 A. I do not.

13 Q. All right. Now, Mr. Kriegsman

14 also asked you, if I recall, about a number

15 of other expenses. Let's go to the next

16 page. I believe it's SAI 007981, okay.

17 And you'll see in the middle of

18 the page, there's Charitable Donations,

19 Consulting Fees, Depreciation Expenses.

20 Do you see that section?

21 A. Yes, I do.

22 Q. Do you have an understanding as

23 to whether those are related to or those

24 are limited to flights that were booked by

25 SAFE?

1 C. MURPHY

2 A. No, I do not.

3 Q. Do you have an understanding as  
4 to whether those were limited to charter  
5 flights?

6 MR. KRIEGSMAN: Objection.

7 A. No, I do not.

8 Q. Now, you'll see below that, you  
9 see there's Insurance Expenses?

10 Do you have an understanding as  
11 to whether those were limited to flights  
12 that were booked by SAFE?

13 A. No, I do not.

14 Q. How about you'll see there's  
15 Launch Expenses.

16 Do you see those?

17 A. I do.

18 Q. Do you have an understanding as  
19 to whether those were limited to flights  
20 that were booked by SAFE?

21 A. I do not.

22 Q. Do you have an understanding as  
23 to whether those were limited to charter  
24 flights?

25 A. No, I do not.

1 C. MURPHY

2 Q. All right. Now let's go to the  
3 next page. You'll see there's the lease of  
4 an Audi.

5 Do you have understanding as to  
6 whether that was related to -- merely to  
7 flights that were booked by SAFE?

8 A. Is that the \$3,000 that you're  
9 referring to?

10 Q. Yup.

11 A. \$3,019 -- \$3,000, no, I do not,  
12 no.

13 Q. All right. Well, look at all  
14 of the other expenses that are set forth  
15 here.

16 You'll see there's -- if you  
17 look, there's Lease, there's Licenses,  
18 there's Miscellaneous Office Expenses,  
19 there's Payroll.

20 Now, can you tell us whether  
21 any -- to your knowledge, whether any of  
22 those expenses were limited to flights that  
23 were booked by SAFE?

24 A. No, I cannot.

25 Q. All right. Now let's look at

1 C. MURPHY

2 -- we also have Professional Fees.

3 Do you know whether those  
4 professional fees were limited to flights  
5 booked by SAFE?

6 A. I do not know.

7 Q. How about this? Do you see  
8 Seabird Yachts?

9 Do you have an understanding as  
10 to whether those were limited to flights  
11 booked by SAFE?

12 A. I do not.

13 Q. Now, do you recall earlier  
14 Mr. Kriegsman asking you about advertising  
15 expenses?

16 A. Yes, I do.

17 Q. Do you recall -- do you know  
18 one way or the other whether those  
19 advertising expenses were limited to  
20 flights that were booked by SAFE?

21 A. No; however, I did see quite an  
22 increase from '17 to '18, and I think we  
23 can draw the conclusion they needed to do a  
24 lot more advertising after what happened  
25 with SAFE.

1 C. MURPHY

2 Q. Do you know if any of those  
3 advertisements were set -- or used in the  
4 Bahamas?

5 A. Oh, I'm sure some of them were.

6 Q. Do you know if they increased  
7 the amount of advertising they did in the  
8 Bahamas?

9 A. No, I do not.

10 Q. Do you know if they increased  
11 the amount of advertising they did in  
12 Florida?

13 A. No, I do not.

14 Q. So you really have no idea why  
15 the advertising expenses would have  
16 increased, do you?

17 MR. KRIEGSMAN: Objection.

18 A. Wow.

19 Q. Ms. Murphy, are you going to  
20 answer the question?

21 A. Could you ask it again, please?

22 Q. Ms. Murphy, do you know one way  
23 or the other why the advertising expenses  
24 for Shoreline increased in 2018 versus  
25 2017?



1 C. MURPHY

2 A. Yes. As stated earlier, they  
3 really had to market once the deal with --  
4 when this transaction, this situation,  
5 happened with SAFE. They had do a  
6 tremendous amount of marketing to try to  
7 resolve what happened to the company.

8 Q. Were you aware, Ms. Murphy,  
9 that Shoreline was already facing  
10 competition from Blade before there were  
11 any changes in the relationship between  
12 SAFE and Shoreline?

13 A. I don't know anything about  
14 those details, I'm sorry.

15 Q. So you don't really know if the  
16 increase in advertising in East Hampton  
17 related to the fact that Blade also  
18 increased its advertising?

19 MR. KRIEGSMAN: Objection.  
20 You're harassing the witness with  
21 something totally outside of her  
22 knowledge. Let the record reflect  
23 that. Objection.

24 MR. SKIBELL: I'm just asking  
25 what you asked her about, Alex, so I

1 C. MURPHY

2 disagree that it's outside of her  
3 knowledge.

4 Q. So let's -- I'm going to show  
5 you another document.

6 You'll see what, I believe, is  
7 Exhibit B, that was shown to you earlier by  
8 Mr. Kriegsman.

9 A. Mm-hmm.

10 Q. Do you recall you were asked a  
11 number of questions about this document?

12 Do you recall that?

13 A. Yes, I do.

14 Q. Were you aware before today's  
15 deposition that you were going to be asked  
16 about Exhibit B?

17 A. I wasn't officially made aware  
18 of it, but I'm not -- I've been doing this  
19 for a long time, Reid. I know how to  
20 prepare myself for things.

21 Q. But did you have an  
22 understanding whether or not specifically  
23 you were going to be asked about Exhibit B  
24 before today's deposition?

25 MR. VLAHADAMIS: Again, I'm

1 C. MURPHY

2 going to instruct the witness to  
3 specifically not discuss any  
4 privileged communications with  
5 respect to what she was instructed to  
6 do or not do with respect to the  
7 deposition.

8 You're getting there again,  
9 Reid.

10 MR. SKIBELL: All right. I'm  
11 moving on to my next question,  
12 because I believe the question has  
13 already been answered.

14 Q. So if you look in the middle of  
15 the -- I'll go to the top of the page.

16 So if you look on the left  
17 side, you'll see, like other documents we  
18 were looking at, this document indicates  
19 that it has February 24, 2022 on the left  
20 side. Is that accurate?

21 A. That's what I see.

22 Q. And it also says 3:25 p.m.

23 Do you see that?

24 A. Yes, I do.

25 Q. So I take it you were not the

1 C. MURPHY

2 one that created this particular document;  
3 is that correct?

4 A. I testified earlier I don't  
5 know.

6 Q. Okay. Now, if you look in the  
7 middle of the page, you'll see there's  
8 Charter Revenue. And do you recall being  
9 asked questions about charter revenue?

10 A. Yes.

11 Q. And you'll see at the top,  
12 there's -- we were -- there's cancellation  
13 fees.

14 Do you know if those  
15 cancellation fees are limited to flights  
16 that were booked by SAFE?

17 A. I do not.

18 Q. Now, if you look at -- you see  
19 there's Commuter Fees of a little over  
20 \$1 million? Do you see that?

21 A. Yes, I do.

22 Q. And do you see there's Charter  
23 Fees of almost \$1 million?

24 Do you see that?

25 A. I'm sorry, say that again?

1 C. MURPHY

2 Q. You'll see the second line,  
3 you'll see there's charter fees of almost  
4 \$1 million. Do you see that?

5 A. Charter -- yes, I do see that.

6 Q. Then there's Sound Commuter  
7 Fees of \$767,000 or a little over that.

8 Do you see that?

9 A. Yes, I do.

10 Q. All right. So and I'm going to  
11 try to group this together, but you'll see  
12 there's services there that are listed and  
13 they add up to almost \$2 million.

14 A. Yes, I see that.

15 Q. Is that income that was  
16 received, or are those expenses, if you  
17 know?

18 A. I do know that's income.

19 Q. You'll see below, you'll see  
20 there's Cost of Goods Sold and you see  
21 there's Aircraft Fuel Expense and Aircraft  
22 Insurance.

23 Do you see that?

24 A. Yes, I do.

25 Q. Am I understanding that those

1 C. MURPHY

2 are expenses that were incurred in 2018?

3 A. Correct.

4 Q. And do you know if those two  
5 expenses were limited to flights that were  
6 booked by Sound?

7 A. No, I do not.

8 Q. All right. If you go in the  
9 middle of the next page, you'll see there  
10 are Charter Expenses, and those were a  
11 little over \$1.2 million.

12 Do you see that?

13 A. Yes, I do.

14 Q. Do you know if those charter  
15 expenses were limited to flights that were  
16 booked by Sound?

17 A. No, I do not.

18 Q. All right. And you see there's  
19 Maintenance Expenses of over \$350,000.

20 Do you see that?

21 A. Yes, I do.

22 Q. Do you know if those are  
23 limited to flights that were booked by  
24 Sound?

25 A. No, I do not.

1 C. MURPHY

2 Q. Do you know if those were  
3 limited to charter flights?

4 A. No, I do not.

5 Q. All right. Now you'll see  
6 there's Payroll Expenses, and then you see  
7 there's a number of pilot -- I mean Pilot  
8 Expenses on the next page.

9 Do you see that?

10 A. Yes, I do.

11 Q. Do you know if any of those  
12 expenses are specific either to charters or  
13 to flights booked by SAFE?

14 A. No, I do not.

15 Q. Now, in the middle of the page,  
16 you see there's advertising expenses?

17 A. Yes, I do.

18 Q. And you don't know whether  
19 those advertising expenses are limited to  
20 East Hampton airport, do you?

21 A. No, I do not.

22 Q. All right. And on the last  
23 page, you'll see under where it says Total  
24 Loss, you see there's a number of  
25 additional expenses. They start with Lease

1 C. MURPHY

2 Audi, and they go through Payroll? They  
3 continue on the next page, through  
4 Professional Fees, Repair, Seabird Yachts?

5 Do you see those?

6 A. Hold on one second. Can you  
7 just go back up, Reid, for one second?

8 Q. Of course.

9 A. Little bit more. Little bit  
10 more. So a little bit more.

11 Where was that Launch? Hold  
12 on. Okay.

13 So Total Launch is the total of  
14 the preceding section. Stop right there.  
15 Stop. No. No. No. Stop. Go back down a  
16 little bit.

17 Okay. So the total launch  
18 expenses were \$30,000. Then you're  
19 starting with overhead expenses.

20 So the expenses below that you  
21 are reading off are not launch expenses. I  
22 just wanted to make that clear.

23 Q. I appreciate the clarification.  
24 I didn't mean to suggest otherwise.

25 I'm asking about the expenses



1 C. MURPHY

2 that start with Lease Audi and go all the  
3 way through Travel and Entertainment.

4 Do you see those?

5 A. Yes, I do.

6 Q. And were those limited to  
7 charters?

8 A. I don't know.

9 Q. And do you know if those were  
10 limited to flights booked by SAFE?

11 A. I do not know that.

12 Q. All right.

13 MR. SKIBELL: Thank you,  
14 Ms. Murphy. I have no further  
15 questions.

16 MR. KRIEGSMAN: All right.

17 Just real fast, because I know Reid's  
18 hungry.

19 CONTINUED EXAMINATION BY

20 MR. KRIEGSMAN:

21 Q. Ms. Murphy, I'm just going to  
22 show you again what was marked as Exhibit  
23 B.

24 Do you see in the top left,  
25 there is a date stamp of February 24, 2022?

1 C. MURPHY

2 A. Yes, I do.

3 Q. And a time of 3:25 p.m.?

4 A. Yes.

5 Q. Am I right that that comes from  
6 QuickBooks?

7 A. That's correct.

8 MR. SKIBELL: Objection.

9 Q. Does that refer to when this  
10 document was created or just when it was  
11 printed?

12 MR. SKIBELL: Objection.

13 A. Just when it was printed.

14 Q. So if I printed the same  
15 document now, it would say 2:11 p.m. on  
16 July 21, 2022?

17 A. Yes, it would.

18 MR. SKIBELL: Note my  
19 objection.

20 MR. KRIEGSMAN: Okay. Nothing  
21 further.

22 MR. SKIBELL: I have nothing  
23 further. Thank you, Ms. Murphy.

24 MR. KRIEGSMAN: And did you  
25 want to read and sign? I have to get